



DEPARTMENT OF COMMERCE

International Trade Administration

[C-489-502]

Circular Welded Carbon Steel Pipes and Tubes from the Republic of Turkey: Final Results of Countervailing Duty Administrative Review; Calendar Year 2018

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The Department of Commerce (Commerce) determines that Borusan Holding A.S., Borusan Mannesmann Yatirim Holding, Borusan Mannesmann Boru Sanayi ve Ticaret A.S., and Borusan Istikbal Ticaret T.A.S. (collectively, the Borusan Companies) received a *de minimis* net subsidy rate and that the exporters/producers of circular welded carbon steel pipes and tubes from the Republic of Turkey (Turkey) not selected for individual review received countervailable subsidies that are above *de minimis* during the period of review (POR), January 1, 2018 through December 31, 2018.

DATES: Applicable [INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

FOR FURTHER INFORMATION CONTACT: Jolanta Lawska, AD/CVD Operations, Office III, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: 202-482-8362.

SUPPLEMENTARY INFORMATION:

Background

On April 3, 2020, Commerce published the preliminary results of this administrative review.¹ On April 24, 2020, Commerce tolled all deadlines in administrative reviews by 50 days.² On July 21, 2020, Commerce tolled all deadlines in administrative reviews by 60 days.³ On October 28, 2020, Commerce extended the deadline for the final results to January 15, 2021.⁴ For a summary of events that occurred since the *Preliminary Results*, see the Issues and Decision Memorandum.⁵

Scope of the Order

The merchandise covered by the countervailing duty order is circular welded carbon steel pipes and tubes from Turkey. For a complete description of the scope of the order, see the accompanying Issues and Decision Memorandum.

Analysis of Comments Received

All issues raised in interested parties' case briefs are addressed in the Issues and Decision Memorandum. The issues are identified in the appendix to this notice. The Issues and Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <https://access.trade.gov>. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly at

¹ See *Circular Welded Carbon Steel Pipes and Tubes From the Republic of Turkey: Preliminary Results of Countervailing Duty Administrative Review and Partial Rescission; Calendar Year 2018*, 85 FR 18917 (April 3, 2020) (*Preliminary Results*), and accompanying Preliminary Decision Memorandum.

² See Memorandum, "Tolling of Deadlines for Antidumping and Countervailing Duty Administrative Reviews in Response to Operational Adjustments due to COVID-19," dated April 24, 2020.

³ See Memorandum, "Tolling of Deadlines for Antidumping and Countervailing Duty Administrative Reviews," dated July 21, 2020.

⁴ See Memorandum, "Circular Welded Carbon Steel Pipes and Tubes from Turkey: Extension of Deadline for Final Results of Countervailing Duty Administrative Review," dated October 28, 2020.

⁵ See Memorandum, "Issues and Decision memorandum for the Final Results of Countervailing Duty Administrative Review: Circular Welded Carbon Steel Pipes and Tubes from the Republic of Turkey; 2018," dated concurrently with, and hereby adopted by, this notice (Issues and Decision Memorandum).

<http://enforcement.trade.gov/frn/index.html>. The signed and electronic versions of the Issues and Decision Memorandum are identical in content.

Changes Since the Preliminary Results

Based on the comments received, we made no changes to the net subsidy rates calculated for the Borusan Companies. However, we revised the net subsidy rate assigned to the firms not selected for individual examination. For a discussion of these issues, *see* the Issues and Decision Memorandum.

Methodology

Commerce conducted this review in accordance with section 751(a)(1)(A) of the Tariff Act of 1930, as amended (the Act). For each of the subsidy programs found countervailable during the POR, we determine that there is a subsidy, *i.e.*, a government-provided financial contribution that confers a benefit to the recipient, and that the subsidy is specific.⁶ For a complete description of the methodology underlying all of Commerce's conclusions, *see* the Issues and Decision Memorandum.

Final Results of the Review

In accordance with section 751(a)(1)(A) of the Act and 19 CFR 351.221(b)(5), we determined an individual subsidy rate for the Borusan Companies and calculated a *de minimis* net subsidy rate for the period January 1, 2018 through December 31, 2018. As discussed in the accompanying Issues and Decision Memorandum, it is Commerce's practice in administrative reviews to calculate a rate for companies that are not individually examined by following the instructions to calculate the all-others rate under section 705(c)(5) of the Act and averaging the weighted-average net subsidy rates for the individually-reviewed companies, excluding rates that are zero, *de minimis*, or based entirely on facts available.⁷ In this review, we calculated a *de*

⁶ See sections 771(5)(B) and (D) of the Act regarding financial contribution; section 771(5)(E) of the Act regarding benefit; and section 771(5A) of the Act regarding specificity.

⁷ See, e.g., *Certain Pasta from Italy: Final Results of the 13th (2008) Countervailing Duty Administrative Review*, 75 FR 37386, 37387 (June 29, 2010).

minimis net subsidy rate for the sole mandatory respondent. As a result, for the reasons discussed in the Issues and Decision Memorandum, we have determined that it is reasonable to assign to the firms subject to the review, but not selected for individual examination, the average of the above-*de minimis* net subsidy rates calculated for the mandatory respondents in the prior administrative review conducted in this proceeding, which is 1.18 percent *ad valorem*.⁸

Therefore, we determine that the following total estimated net countervailable subsidy rates exist for the period January 1, 2018 through December 31, 2018:

Company	Net Subsidy Rate (percent)
Borusan Holding A.S. (also referred to as Borusan Holding), Borusan Mannesmann Yatirim Holding, Borusan Mannesmann Boru Sanayi ve Ticaret A.S. (Borusan), and Borusan Istikbal Ticaret T.A.S. (Istikbal) (collectively, the Borusan Companies)	0.37 (<i>de minimis</i>)
Borusan Ithicat ve Dagitim A.S	1.18
Borusan Mannesmann	1.18
Borusan Mannesmann Pipe US, Inc	1.18
Cagil Makina Sanayi ve Ticaret A.S	1.18
Eksen Makina	1.18
Erbosan Erciyas Boru Sanayi ve Ticaret A.S.	1.18
Guner Eksport	1.18
Guven Celik Born San. Ve Tic. Ltd	1.18
Guven Steel Pipe	1.18
Kalibre Boru Sanayi ve Ticaret AS	1.18
MTS Lojistik ve Tasimacilik Hizmetleri TIC A.S. Istanbul	1.18
Net Boru Sanayi ve Dis Ticaret Koll. Sti	1.18
Noksel Celik Boru Sanayi AS	1.18
Perfektup Ambalaj San. ve Tic. A.S	1.18

⁸ See *Circular Welded Carbon Steel Pipes and Tubes from the Republic of Turkey: Final Results of Countervailing Duty Administrative Review and Rescission of Countervailing Duty Administrative Review, in Part; Calendar Year 2017*, 84 FR 56173, 56175 (October 21, 2019) (*Pipe and Tube from Turkey 2017*) and accompanying IDM at 5-6.

Schenker Arkas Nakliyat ve Ticaret A.S	1.18
Umran Celik Born Sanayii A.S	1.18
Umran Steel Pipe Inc	1.18
Vespro Muhendislik Mimarlik Danismanlik Sanayi ve Ticaret AS	1.18
Yucel Boru ve Profil Endustrisi A.S., Yucelboru Ihracat Ithalat ve Pazarlama A.S., and Cayirova Boru Sanayi ve Ticaret A.S. (Yucel Companies)	1.18

Disclosure

Commerce intends to disclose the calculations performed for these final results of review within five days of the date of publication of this notice in the *Federal Register*, in accordance with 19 CFR 351.224(b).

Assessment Rates

Consistent with its recent notice,⁹ Commerce intends to issue assessment instructions to U.S. Customs and Border Protection (CBP) no earlier than 35 days after the date of publication of the final results of this review in the *Federal Register*. If a timely summons is filed at the U.S. Court of International Trade, the assessment instructions will direct CBP not to liquidate relevant entries until the time for parties to file a request for a statutory injunction has expired (*i.e.*, within 90 days of publication). Because we have calculated a *de minimis* countervailable subsidy rate for the Borusan Companies, we will instruct CBP to liquidate the appropriate entries without regard to countervailing duties in accordance with 19 CFR 351.212. We will instruct CBP to liquidate shipments of subject merchandise produced and/or exported by the remaining above listed companies, entered or withdrawn from warehouse for consumption from January 1, 2018 through December 31, 2018, at the *ad valorem* rates listed above for each respective company.

Cash Deposit Instructions

⁹ See Notice of Discontinuation of Policy to Issue Liquidation Instructions After 15 Days in Applicable Antidumping and Countervailing Duty Administrative Proceedings, 86 FR 884 (Jan.15, 2021).

In accordance with section 751(a)(2)(C) of the Act, we intend to instruct CBP to collect cash deposits of estimated countervailing duties, in the amounts shown above, with the exception of the Borusan Companies, on shipments of subject merchandise entered, or withdrawn from warehouse, for consumption on or after the date of publication of the final results of this review. Because the countervailable subsidy rate for the Borusan Companies is *de minimis*, Commerce will instruct CBP to collect cash deposits at a rate of zero for the Borusan Companies for all shipments of the subject merchandise that are entered, or withdrawn from warehouse, for consumption on or after the date of publication of the final results of this administrative review. For all non-reviewed firms, we will instruct CBP to continue to collect cash deposits of estimated countervailing duties at the most-recent company specific or all-others rate applicable to the company, as appropriate. These cash deposit requirements, when imposed, shall remain in effect until further notice.

Administrative Protective Order (APO)

This notice also serves as a reminder to parties subject to APO of their responsibility concerning the disposition of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3), which continues to govern business proprietary information in this segment of the proceeding. Timely written notification of the return or destruction of APO materials, or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and the terms of an APO is a sanctionable violation.

Notification to Interested Parties

These final results are issued and published in accordance with sections 751(a)(1) and 777(i)(1) of the Act, and 19 CFR 351.221(b)(5).

Dated: January 15, 2021.

James Maeder,

Deputy Assistant Secretary

for Antidumping and Countervailing Duty Operations.

APPENDIX

- I. Summary
- II. Background
- III. Scope of the Order
- IV. Period of Review
- V. Non-Shipment Claims
- VI. Non-Selected Rate
- VII. Subsidies Valuation Information
- VIII. Analysis of Programs
- IX. Analysis of Comments

Comment 1: Whether to Include Purchases of All Series Grades of Hot-Rolled Steel (HRS) in the HRS Benchmark to Measure the Adequacy of Remuneration for HRS

Comment 2: Whether Commerce Should Include Istikbal's Export Credit Bank of Turkey (Eximbank) Loan in the Benefit Analysis for Short Term Pre-Shipment Rediscount Program

- X. Recommendation

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